

Telephone Town Hall June 2011 : Protecting America's Seniors

Learn more about our discussion:

- Download the [full call](#).
- Read several [follow-up questions](#) that we didn't have time to discuss during the call.

Listen to the full call

Followup Questions Submitted After The Call

1) My question is why hasn't Congress passed a budget or actually generated a budget for the past two years. And what it is you going to do to keep us from being continually spending into debt. John— Santa Clara, CA

This is a talking point that a lot of political opponents use to attack Democrats on budget issues. Is it a good thing that Congress was unable to get agreement on a budget resolution last year? No, because it means we don't have strong framework outlining our fiscal policy going forward. But it doesn't mean that the Congressional appropriations can't move forward, and it is hardly the first time that Congress has failed to agree on a budget resolution – since 1983, it has happened four times, including three times when the Republicans were in the majority of both chambers of Congress. Even without adopting a budget resolution, Congress is certainly spending a great deal of time working on budget issues.

Since the current budget debate began, I have been a strong advocate for a fiscally and socially responsible solution to our fiscal problems. I believe that a budget is not just a collection of numbers and accounting steps; it is a statement of our values as a nation and our vision for a prosperous, competitive, and more equitable society. That is why I took the lead, along with my colleagues in the Congressional Progressive Caucus, in bringing forward the People's Budget, which eliminates the deficit, stabilizes the debt, puts Americans back to work, and restores our economic competitiveness.

When President Bush assumed office in 2001, he inherited a projected ten-year budget surplus of \$5.6 trillion. Unfortunately, this opportunity to make key investments in America's future was squandered by providing tax breaks to the wealthiest among us, leaving President Obama with the worst budget deficit in our nation's history and an economic recession of a magnitude not seen since the Great Depression.

There is no question that the federal government must address our growing national debt and annual budget deficits. I believe that reducing our national debt and the size of our deficit is crucial to our national and economic security. We cannot balance our budget, however, on the backs of seniors and the middle class. The keys to achieving a balanced budget and reducing our deficit include spending only on what is prudent and developing a high growth economy, assuring the necessary revenue. This will only happen when we are honest about what works and what does not while keeping our priorities in mind.

The debate currently occurring in Washington is reflective of that. Last year, the proposed budget process was stalled in the Senate due to a few influential senators who did not wish to take the process seriously and held our budget hostage.

Thank you for your concern and engagement. For more information about the People's Budget,

please visit my website at Honda.house.gov.

2) My question is about the Food and Drug administration. I believe that our medications and drug costs are so high is because they have a monopoly on the business. And when are going to separate the Food and Drug Administration because it's basically - they're against one another. Also, when are we going to have an agency looking over and controlling the drug administration? Thank you. – Francine – Gilroy, CA

As a long-standing supporter of access to quality, affordable healthcare, I am proud to have voted for the Patient Protection and Affordable Care Act, which aids seniors in relieving the coverage gap in Medicare Part D prescription drug coverage. Often called the “donut hole”, this coverage gap has placed pressure on the budgets of millions of seniors for close to a decade. The landmark health reform law aims to end this practice by closing the coverage gap by 2020. Until then, several provisions have been put in place to make prescriptions more affordable. For example, since reform’s passage, seniors have been eligible to receive one-time \$250 rebate checks. Similarly, new provisions that took effect in January of this year provide a 50% discount on brand-name drugs and 7% discount on generic drugs when you reach the coverage gap. It is estimated that by 2020, the coverage gap will be closed and you will only pay 25% of the costs of drugs until yearly out-of-pocket spending limit is reached.

Regarding your inquiry about the Food and Drug Administration, critics have charged that the FDA holds a monopoly on drug regulation and approval and thus slows down this process and stifles innovation, and is to blame for high drug prices. They have suggested alternative drug approval mechanisms or even elimination of the FDA altogether.

My concern with such suggestions is that if FDA were to be eliminated, who would regulate drugs to assure they are safe? Consumer advocate groups would lack the resources to stand up against the well funded and influential drug companies pressuring them for approval. If there were no regulator at all, then the drug industry would look like the nutritional supplement market, where a manufacturer can make whatever claims it wants about the benefits of a product.

I don't think that we can place our faith in the industry to self-regulate, because that would require putting the consumer above the investors, which is not the way businesses operate. Thus, we need a government regulator such as FDA. We in Congress must do our job to oversee the FDA and make sure that it does its job effectively and efficiently.

3) My question is a two tiered one. First off, I'm concerned about the long-term viability of the Social Security Trust Fund. Our country has been borrowing against the Trust Fund for several years now, what is being done to stop this practice? My other question is regarding the deficit. What are you doing to lower the deficit?

Social Security is a vital federal program that millions of Americans count on for their survival. Social Security was created as a way to provide a basic and guaranteed supplement to private savings and pension plans for retirees, their survivors, and people who become disabled before they retire. Ninety-six percent of workers pay into the Social Security system, accruing benefits and protections for themselves and their family members for when they retire. Moreover, the benefits provided by this program are the primary source of income for nearly one in five seniors.

Much has been made about Social Security's long-term solvency. The 2010 Trustees Report estimates that the Social Security Trust Fund will have sufficient funding to pay promised benefits through 2037. After that, current payroll taxes will generate enough revenue to cover 78% of promised benefits. While Social Security is certainly a far cry from collapse, the abrupt, 22% cut scenario is unacceptable and demands thoughtful, measured debate.

As for your deficit concerns, there is no question that the federal government must address our growing national debt and annual budget deficits. I strongly believe that a budget is not just a collection of numbers and accounting steps; it is a statement of our values as a nation and our vision for a prosperous, competitive, and more equitable society. That is why I took the lead in drafting the People's Budget, which would eliminate the deficit, stabilize the debt, put Americans back to work, and restore our economic competitiveness.

The People's Budget is responsive to the American people's views on our nation's priorities,

and honors our commitment to our seniors, children, and people who depend on community health centers and clinics. Through a mix of closing corporate tax loopholes and letting the Bush tax cuts for the wealthiest Americans expire, the People's Budget eliminates the budget deficit by 2021. Finally, it invests in our nation's educational systems and physical and technological infrastructure which are vital to making America competitive in the 21st century. The People's Budget addresses the deficit while protecting Social Security for seniors and next generation.

4) □ Why are recent immigrants of retirement age able to collect Social Security and Medicare money even though they have never worked in America? Sandy Clark – San Jose, CA

The extent to which non citizens should be eligible for federally funded public aid has been a contentious issue in our country. Federal laws restrict noncitizens' access to public assistance, with exceptions for legal permanent residents (LPRs) with a substantial U.S. work history. Illegal immigrants are ineligible for federal public benefits.

According to current law, to be a recipient of Social Security benefits, one must be a legal permanent resident (LPR) of the United States who has paid into the program via payroll taxes and has accumulated 40 credits or 10 years of work. This means that immigrants of retirement age who have never worked in the United States are not eligible for Social Security benefits.

Immigrants who have attained the status of legal permanent resident (LPR) may become eligible for Medicare benefits after a five year waiting period. Only a small percentage of LPRs are over the age of 65. Foreign-born individuals, almost all of whom are between the ages of 25-54, account for only 12.5% of the total U.S. population. Over 16 million of these foreign-born residents are naturalized U.S. Citizens, which makes them eligible for Medicare.

Please know that I understand your concerns regarding Social Security and Medicare benefits for retirement age immigrants. I believe the government should strive to protect all U.S. workers who have paid their share in the American Social Security system.

1) Julie from Los Gatos

Is there a possibility to pass the public option or have single-payer health care still?

Julie, thank you for your question! Throughout the passage of the reform bill, I worked tirelessly to pass a public option as I believe it is the only way to provide the American people with the information they deserve in order to choose an insurance option that works best for them. At its core, health reform is all about ensuring that American families and businesses have more choices, benefit from more competition, and have greater control over their own health care.

In February 2010, the House of Representatives passed HR 4626, the Insurance Industry Fair Competition Act of 2010, which restores competition, fairness and choice to the health insurance industry. I will continue advocating on behalf of legislation that supports options for the public.

I was extremely disappointed, therefore, when the health care reform bill passed without a public option. However, it does have ways to maintain the fairness and competitiveness a public option would have.

By 2014, under the new health care reform bill, states will be allowed to set up exchanges, which serve as a marketplace of information available to the public. You can access these exchanges if you are unemployed, work for a small business, or work for a business that does not provide health insurance. In the exchanges, individuals will be able to access information and compare plans, and then buy into whichever plan best suits their needs. Additionally, a provision in the new bill allows that these exchanges can be used by states to establish government run health plans in addition to privately run ones, essentially setting up a public option.

The exchanges will offer a standardized set of information, as the participating plans must present their plans in a comprehensive, easy to understand manner and must use one standard enrollment form.

As for a single-payer system, in February, I cosponsored HR 676, which would eliminate all employer contributions to private insurance premiums, all individual premiums, co-pays, deductibles, and other out of pocket costs, replacing them with a minimal payroll tax. With a single-payer system, an estimated 95 percent of people would pay less than they do now for healthcare.

If an individual cannot afford health insurance under the new bill, they can apply for government subsidies which will help cover insurance premiums. For plans that cross state lines, states must work out an agreement permitting the plans into the exchanges.

HR 3200, the America's Affordable Health Choices Act is a monumental step toward fixing the broken health care system of our nation. Over the past nine years, I have heard repeated pleas from the Constituents of the 15th District to fix this broken system, protect their families' financial health, and ensure access to high quality healthcare. I will continue to work on healthcare legislation that addresses these needs and the inequalities in our system.

2) Mary from San Jose

Has Rep. Honda thought the marijuana taxation through and what will he vote

This November, the California electorate will vote on proposition 19 (The Regulate, Control, and Tax Cannabis Act of 2010), which allows people 21 years old or older to possess, cultivate, or transport marijuana for personal use. This proposition also permits local governments to regulate and tax commercial production and sale of marijuana to people 21 years old or older. It prohibits people from possessing marijuana on school grounds, using it in public, smoking while minors are present, or providing it to anyone under 21 years old with strict penalties, including

jail sentences and monetary fines for any persons that violate the law. The proposition also maintains current prohibitions against driving while impaired, assuring full enforcement of the law by police authorities.

A study conducted by the RAND corporation shows that should proposition 19 pass, the pre-tax retail price of marijuana will substantially decline, likely by more than 80 percent. The price consumers will pay will depend heavily on taxes and how they are regulated and enforced. While there exists understandable concerns that consumption of marijuana will perhaps increase, it is unclear at this time to what degree California will experience this. With respect to projected tax revenues, projected estimates are in the vicinity of \$1.4 billion annually; funding derived from taxation of marijuana could be used towards other public services, such as in the fields of education and health programs. I understand that there are a variety of opinions on this matter, and I welcome constituents to share their range of views on this proposition.

I have supported other initiatives regarding marijuana use, specifically for medicinal purposes, such as H.R. 2835 (Medical Marijuana Patient Protection Act), which states that physicians should be allowed to prescribe marijuana for medical use in a state that allows the usage of medical marijuana. I support the rights of states to formulate their own laws on marijuana usage and enforcement, and while I am still evaluating the content of this proposition as written, it is in the hands of the California electorate to decide the direction our state will take with regards to this issue in November.

3) Daniel from Milpitas

What is your position on immigration?

From our founding and at our very core, America has always been a nation of immigrants, documented and undocumented, who have made great contributions to our nation. From their labor building the transcontinental railroad and developing our nation's infrastructure, to their entrepreneurship spurring industry in our early American cities, we should all know by now that 'immigrant' is not a dirty word. Looking toward our future with our aging workforce and social security crisis, we need the contributions of immigrants, now more than ever.

Our current immigration system is broken. Because of backlogs and bureaucratic delays, some must wait years, sometimes decades, to reunite with their family members who are eligible to legally immigrate to the United States. Immigrants are often deprived of due process rights that are fundamental to America's notion of liberty.

A punitive, enforcement-only approach to immigration reform is not the solution. Instead, I believe in humane reform that respects the dignity of immigrant communities and recognizes their contributions to American society, while simultaneously securing our borders. We can make America stronger, not only by protecting our borders, but also by upholding our values and principles and honoring the entrepreneurial spirit of the American dream – with freedom and opportunity on our shores. I will continue to work with my colleagues to ensure a just, humane and workable immigration system that keeps America safe and thriving, without fear of being separated from their families.

I have long advocated for comprehensive immigration reform that will address border security,

enforcement, future flows of immigrants, cater to the demands of our labor markets and economy, and provides a pathway to legalization as well as visa reforms to keep our families together. I believe it is critical that we protect our borders and stop employers from taking advantage of undocumented workers. I further believe, however, that this can be done in a smart, efficient, and humane way that does not involve racial profiling or hand over critical responsibilities of the federal government to local law enforcement.

Enhancing enforcement surely must be a part of the solution to our broken immigration system. However, the solution must be more complex and holistic. The President has clearly called on Congress to act on comprehensive immigration reform. We must work together and with our neighbors to develop a comprehensive solution.

4) Daniel from San Jose

What are you doing to bring transparency to Fannie Mae and Freddie Mac?

Although the two housing Government Sponsored Enterprises, or GSEs, Fannie Mae and Freddie Mac did not cause the housing crisis, their risky investments in subprime securities resulted in huge losses and a massive size of debt. I understand your concerns regarding these two companies. However, it is important to remember that the mission of Fannie Mae and Freddie Mac to provide affordable mortgage loans for low- and moderate-income homebuyers still remains an important

to American's middle class families

.

With

the support they receive from the government, these GSEs are able to offer home buyers fixed interest rate mortgages with low down payments and help millions of Americans achieve the dream of buying a home.

I was proud to support the Housing and Economic Recovery Act, which became law in July 2008 and established the Federal Housing Finance Agency with regulatory authority over Fannie Mae and Freddie Mac. Since then, Fannie Mae and Freddie Mac have taken their own steps to make more cautious investments and minimize losses. They have been working towards streamlining home appraisal and loan delivery data to enhance loan quality and standards. I will continue to push Fannie Mae and Freddie Mac to remain accountable to their shareholders, the government and the people.

5) Elias from Campbell

What are we doing with the foreclosure process? Is there a group that can help people who have problems with their mortgage? Will the government work with people and if so, where do people go to do this?

If you have not already done so, get in contact with a HUD-approved housing counselor. They

are free of charge, and you can find a local counselor at <http://makinghomeaffordable.com> or by calling 1-888-995-HOPE. A HUD-approved housing counselor will talk to you about your individual situation and help you decide what mortgage options and programs are best for you. Beware of anyone who asks you to pay a fee in exchange for a counseling service. Again, all HUD-approved housing counselors are FREE.

Two programs that the counselor may point you to are HARP and HAMP.

HARP, or the **Home Affordable Refinance Program**, allows homeowners with mortgages owned by Fannie Mae or Freddie Mac to refinance with more favorable terms. This program targets those who are **current on their payments** but have lost equity in their homes due to falling home prices.

HAMP, or the **Home Affordable Modification Program**, targets borrowers who are paying more than 31% of their income toward their mortgage and are **experiencing a financial hardship**, like the loss of a job, a medical emergency, or death in the family. HAMP uses financial incentives to encourage banks to provide mortgage modifications for troubled borrowers in order to reduce their monthly mortgage payments.

Although we've seen more promising numbers recently, foreclosure

filings have dropped more than 40 percent in Santa Clara County since last year, we know that families are still struggling to stay in their homes and weather this recession. While we can't prevent every foreclosure, we must get banks to provide families time to get back on their feet after the worst housing downturn since the Great Depression.

6) Elias from Cupertino and Anita from Santa Clara:

Why have we not suspended the Jones act that prohibits assistance from international supertankers to clean up the oil spill?

Enacted after World War I to ensure that America did not lose its civilian fleet, the Jones Act (formally Section 27 of the Merchant Marine Act of 1920) reserves the carriage of America's waterborne domestic commerce to privately owned United States-flag commercial vessels built and repaired in U.S. shipyards and owned and crewed by U.S. citizens. The Jones Act and related statutes prevent America's domestic economy from being dominated and controlled by foreign shipping interests, which operate in international commerce outside the scope of U.S. laws and regulations, including tax obligations.

In the past, Americans of all political stripes have supported the Jones Act with open arms. In fact, in 1997, a resolution recognizing the critical importance of the Jones Act (H. Con Res. 65)

garnered 244 bipartisan co-sponsors.

Recently, many have criticized the law by making baseless accusations that the Jones Act has somehow interfered with the cleanup of the BP oil spill in the Gulf of Mexico.

Nothing could be further from the truth. The fact is there is no evidence the Jones Act has interfered with the cleanup in any way. Administration officials have clearly stated they would be willing to waive the Jones act if needed and that the law has not prevented the response team from accepting aid offers from foreign nations. (Please see the [*Los Angeles Times*](#) article for more information.)

Maintaining a privately owned merchant fleet and maritime industry is vital to our economic and military security. The domestic maritime industry provides a significant source of employment and helps maintain a cadre of well trained, loyal American citizen merchant mariners ready and able to respond, as always, to our Nation's call in time of war or other emergency. Finally, the Jones Act ensures that ships that operate in domestic waters comply with U.S. laws and regulations, including tax obligations, workforce protections, and environmental conservation regulations.